



شركة الكهرباء والماء القطرية ش.م.ق.
QATAR ELECTRICITY & WATER CO. Q.P.S.C

Qatar Electricity & Water Company Q.P.S.C

H1 2023 Financial Results Investor Presentation

09th August, 2023



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Executive Summary

- Net Profit for H1 2023 is QR 769m (12% higher compared to previous year).
- Operating Revenue for H1 2023 is QR 1,380m (15% higher compared to previous year).
- Net Profit for Q2 2023 is QR 368m (24% higher compared to previous year).
- Operating Revenue for Q2 2023 is QR 722m (14% higher compared to previous year).



Performance Highlights – H1 2023

QAR 1,380m

Revenue

15% (vs. previous year)

QAR 751m

EBITDA

15% (vs. previous year)

QAR 769m

Net profit

12% (vs. previous year)

Supplied 13.3m MW

Electricity

-4% (vs. previous year)

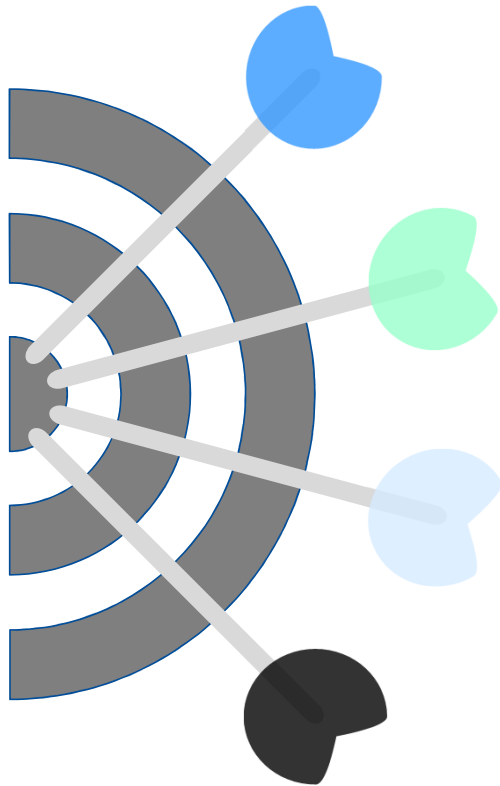
Supplied 223.1m CBM

Water

-2% (vs. previous year)



Key Investment Highlights



Second largest utilities company in the field of power generation and water desalination in the MENA region

Main supplier of electricity and desalinated water in Qatar via its critical infrastructure assets – market share of 55% of electricity and 73% of water

Guaranteed revenue generation from long-term contracts with State-owned Qatar General Electricity and Water Corporation (“Kahramaa”)

Stable operating costs from long-term fuel supply agreements with Qatar Petroleum

Excellent cash generation capability with strong track record of dividend distribution year on year since 2009

Solid financial position confirmed by credit rating ‘A1’ with stable outlook



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Overview of Local Assets – Fully Owned

- QEWC has young asset fleet with capacity-weighted average asset age of c. 9 - 12 years

| | | |
|----------------|----------------------|--|
| 1 | RAF B Station | |
| Location | Al Wakrah, Qatar | |
| Ownership | 100% | |
| Power capacity | 609 MW | |
| Water capacity | 33 MIGD | |

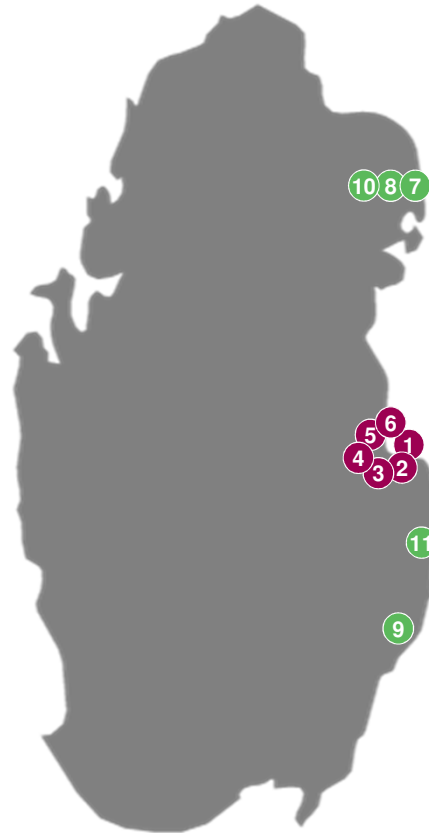
| | | |
|----------------|-----------------------|--|
| 2 | RAF B1 Station | |
| Location | Al Wakrah, Qatar | |
| Ownership | 100% | |
| Power capacity | 376 MW | |
| Water capacity | - | |

| | | |
|----------------|-----------------------|--|
| 3 | RAF B2 Station | |
| Location | Al Wakrah, Qatar | |
| Ownership | 100% | |
| Power capacity | 567 MW | |
| Water capacity | 30 MIGD | |

| | | |
|----------------|-----------------------|--|
| 4 | RAF A1 Station | |
| Location | Al Wakrah, Qatar | |
| Ownership | 100% | |
| Water capacity | 45 MIGD | |
| Power capacity | - | |

| | | |
|----------------|-----------------------|--|
| 5 | RAF A2 Station | |
| Location | Al Wakrah, Qatar | |
| Ownership | 100% | |
| Power capacity | - | |
| Water capacity | 36 MIGD | |

| | | |
|----------------|-----------------------|--|
| 6 | RAF A3 Station | |
| Location | Al Wakrah, Qatar | |
| Ownership | 100% | |
| Power capacity | - | |
| Water capacity | 36 MIGD | |





- Fully owned assets
- Partially owned assets





Overview of Local Assets – Partially Owned


- QEW has young asset fleet with capacity-weighted average asset age of c. 9 - 12 years

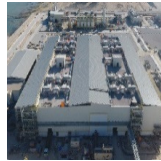
| | | |
|---|---------------------------------|---|
| 7 | Ras Laffan Power Company |  |
| | Location | Ras Laffan, Qatar |
| | Ownership | 80% |
| | Power capacity | 756 MW |
| | Water capacity | 40 MIGD |

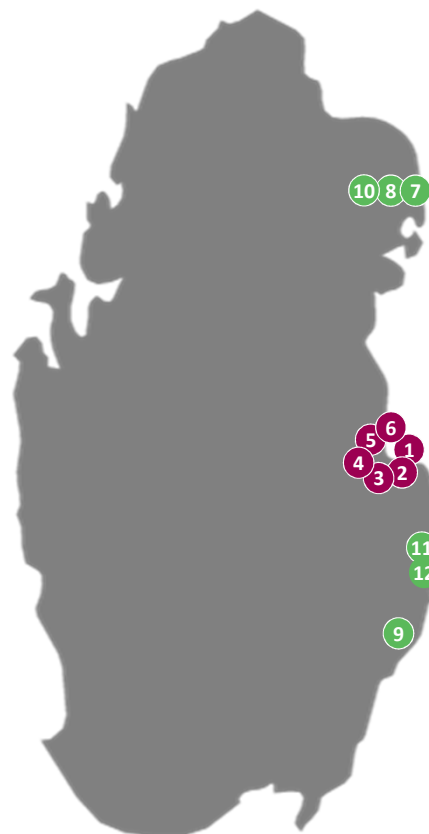
| | | |
|---|----------------------------|---|
| 9 | Qatar Power Company |  |
| | Location | Ras Laffan, Qatar |
| | Ownership | 55% |
| | Power capacity | 1,025 MW |
| | Water capacity | 60 MIGD |




| | | |
|----|-------------------------------|--|
| 10 | Mesaieed Power Company |  |
| | Location | Mesaieed, Qatar |
| | Ownership | 40% |
| | Power capacity | 2,007 MW |
| | Water capacity | - |

| | | |
|----|---------------------------------|---|
| 11 | Ras Girtas Power Company |  |
| | Location | Ras Laffan, Qatar |
| | Ownership | 45% |
| | Power capacity | 2,730 MW |
| | Water capacity | 63 MIGD |

| | | |
|----|----------------------------------|---|
| 12 | Umm Al Houl Power Company |  |
| | Location | Umm Al Houl, Qatar |
| | Ownership | 60% |
| | Power capacity | 2,520 MW |
| | Water capacity | 136.50MIGD |

| | | |
|----|------------------------------------|--|
| 13 | Umm Al Houl Power Expansion |  |
| | Location | Umm Al Houl, Qatar |
| | Ownership | 60% |
| | Power capacity | - |
| | Water capacity | 61.45 MIGD |



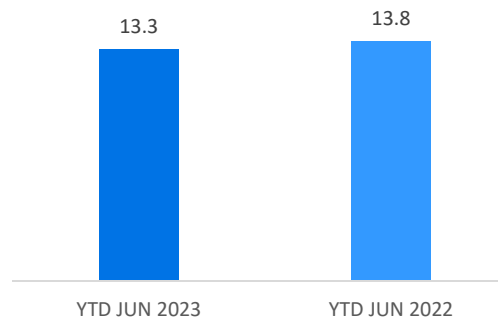
-  Fully owned assets
-  Partially owned assets
-  Under Construction



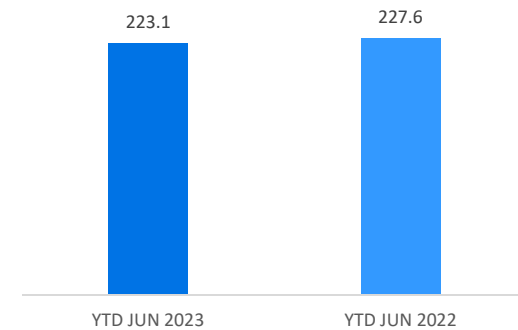
Operational Performance – H1 2023

- Sent Out Power and Water Figures (Proportionately Consolidated) from QEWC and JV Companies during H1 2023 compared with the previous year are provided.
- Sent out power is lower by 4% and sent out water is 2% lower, when compared to same period in previous year.
- Lower sent out power and water is mainly due to outages (scheduled and unscheduled) in fully owned plants, which resulted in KM taking more power and water from JV company plants.
- Combined Plant Availability at QEWC and JV Companies during H1 2023 compared with the same period previous year provided.
- Lower plant availability in 2023 is mainly due to outages for scheduled major maintenance works.

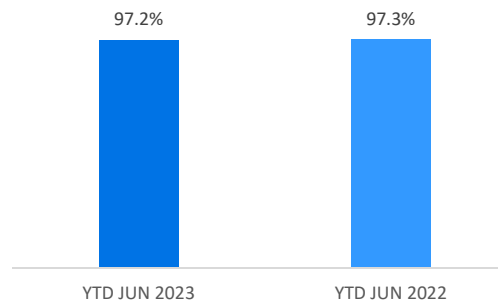
Sent out power
(Million MWs)



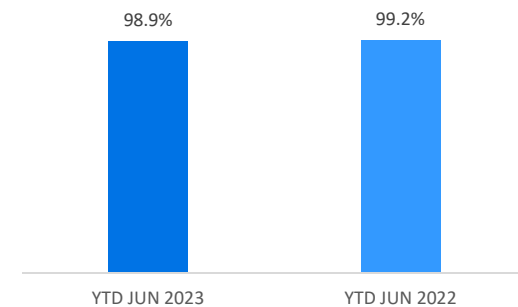
Sent out water
(Million CBms)



Power plant availability
(%)



Water plant availability
(%)

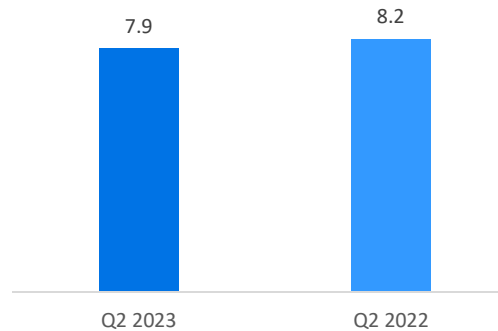




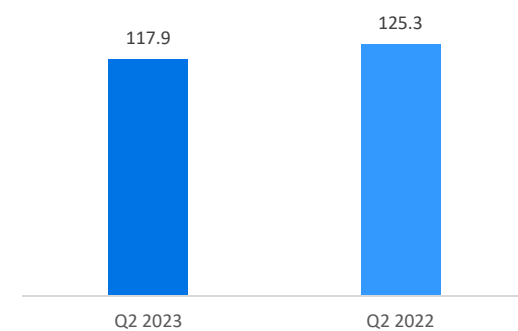
Operational Performance – Q2 2023

- Sent Out Power and Water Figures (Proportionately Consolidated) from QEWC and JV Companies during Q2 2023 compared with the previous year are provided.
- Sent out power is 4% lower and sent out water is 6% lower, when compared to same period in previous year.
- Lower sent out power and water is mainly due to outages (scheduled and unscheduled) in fully owned plants, which resulted in KM taking more power and water from JV company plants.
- Combined Plant Availability at QEWC and JV Companies during Q2 2023 compared with the same period previous year provided.
- Lower power plant availability in 2023 is mainly due to outages for scheduled major maintenance works.

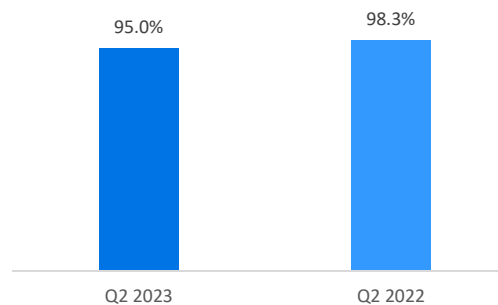
Sent out power
(Million MWs)



Sent out water
(Million CBms)



Power plant availability
(%)



Water plant availability
(%)

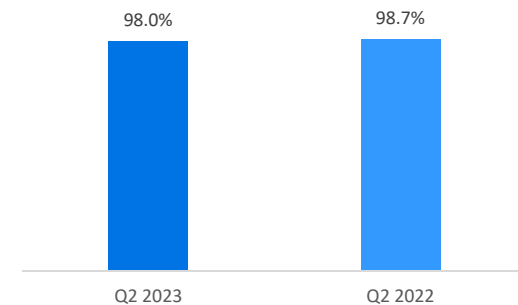




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Key Financial Highlights

| | | H1 2023 | H1 2022 | |
|---|-----------------------------|------------|------------|--|
| 1 | Revenue | QAR 1,380m | QAR 1,200m | <ul style="list-style-type: none">▪ Full Consolidation of Nebras.▪ Change in revenue recognition as required by Auditors in RAF B and impact of higher fuel price in RAF B1 |
| 2 | EBITDA | QAR 751m | QAR 654m | <ul style="list-style-type: none">▪ Full consolidation of Nebras▪ Profit on sale of QEWC interest in Siraj Energy partially offset by lower dividend income. |
| 3 | Net profit | QAR 769m | QAR 685m | <ul style="list-style-type: none">▪ Profit on sale of QEWC interest in Siraj Energy▪ Offset by:<ul style="list-style-type: none">• lower dividend income• higher net interest cost |
| 4 | Earnings per share ("EPS")* | QAR 0.70 | QAR 0.62 | |



Key Financial Highlights

| | | Q2 2023 | Q2 2022 | |
|---|-----------------------------|----------|----------|---|
| 1 | Revenue | QAR 721m | QAR 635m | <ul style="list-style-type: none">▪ Full Consolidation of Nebras.▪ Change in revenue recognition as required by Auditors in RAF B and impact of higher fuel price in RAF B1. |
| 2 | EBITDA | QAR 330m | QAR 275m | <ul style="list-style-type: none">▪ Full consolidation of Nebras.▪ Q2, 2022 included Loss on Sale of Land in Lusail (QR 86m). |
| 3 | Net profit | QAR 368m | QAR 296m | |
| 4 | Earnings per share ("EPS")* | QAR 0.33 | QAR 0.27 | <ul style="list-style-type: none">▪ Q2, 2022 included Lower JV Income due to provision for Ukrain Assets▪ Q2, 2022 included Loss on Sale of Land in Lusail (QR 86m). |



Profit and Loss Statement

| <i>QAR millions</i> | <i>H1 2023</i> | <i>H1 2022</i> |
|--|-----------------------|-----------------------|
| Revenue | 1,380 | 1,200 |
| Cost of sales | (947) | (737) |
| Gross profit | 433 | 463 |
| General and administrative expenses | (116) | (73) |
| Interest Income | 150 | 50 |
| Other Income | 171 | 247 |
| Operating profit | 638 | 686 |
| Finance costs | (263) | (71) |
| Share profit of joint ventures | 331 | 165 |
| Profit on sale of interest in JVs/ Asset held for Sale | 77 | (86) |
| Minority Interest | (14) | (10) |
| Profit for the year* | 769 | 685 |
| Basic and diluted EPS (QAR per share)* | 0.70 | 0.62 |

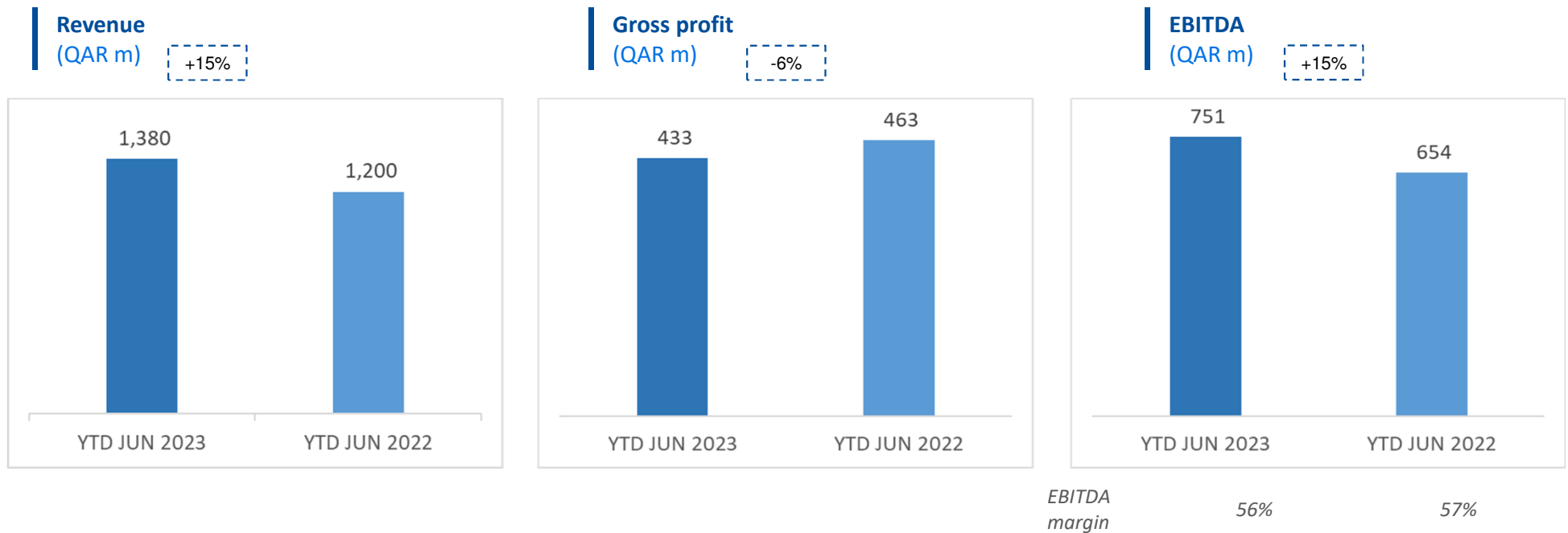


Profit and Loss Statement

| <i>QAR millions</i> | <i>Q2 2023</i> | <i>Q2 2022</i> |
|---|----------------|----------------|
| Revenue | 721 | 635 |
| Cost of sales | (492) | (377) |
| Gross profit | 229 | 258 |
| General and administrative expenses | (55) | (33) |
| Interest Income | 74 | 25 |
| Other Income | 52 | 104 |
| Operating profit | 300 | 353 |
| Finance costs | (127) | (40) |
| Share profit of joint ventures | 199 | 73 |
| Profit/Loss on sale of Asset Held for Sale | - | (86) |
| Minority Interest | (5) | (5) |
| Profit for the year* | 368 | 296 |
| Basic and diluted EPS (QAR per share)* | 0.33 | 0.27 |



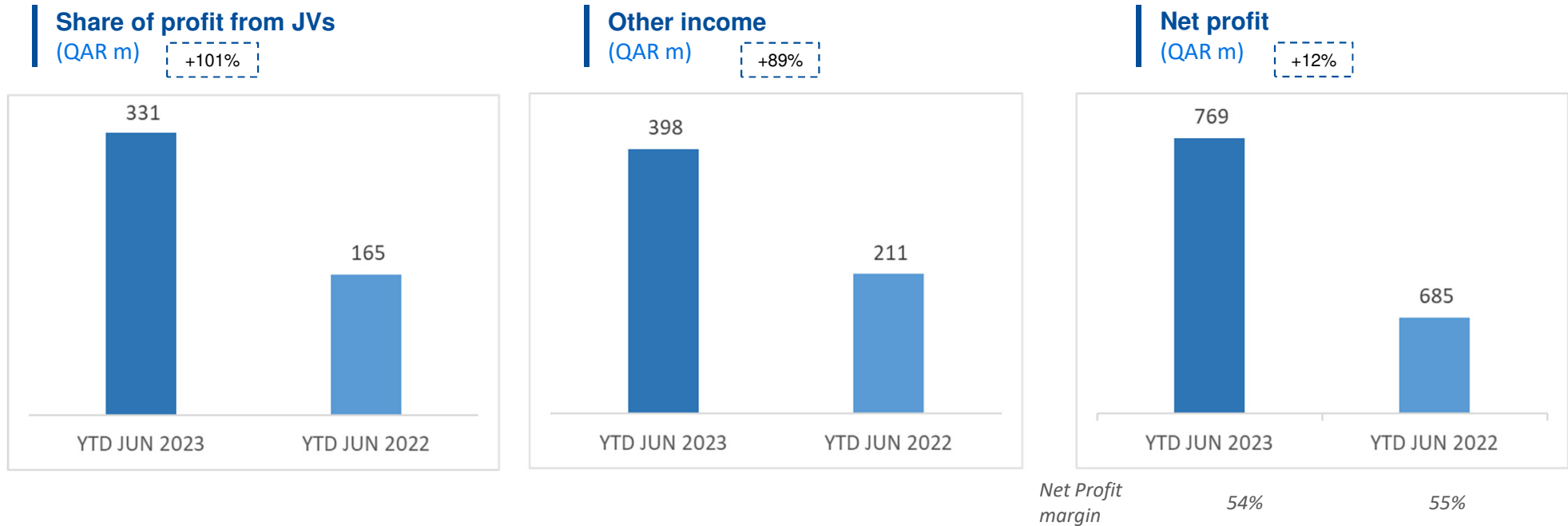
Financial Performance – P&L H1 2023 Comparison with Previous year



- Higher revenue due to change in revenue recognition at RAF B, impact of higher fuel price in RAF B1 and full consolidation of Nebras.
- Higher EBITDA is due to full consolidation of Nebras and recognition of profit on sale of interest in Siraj Energy partially offset by lower dividend income



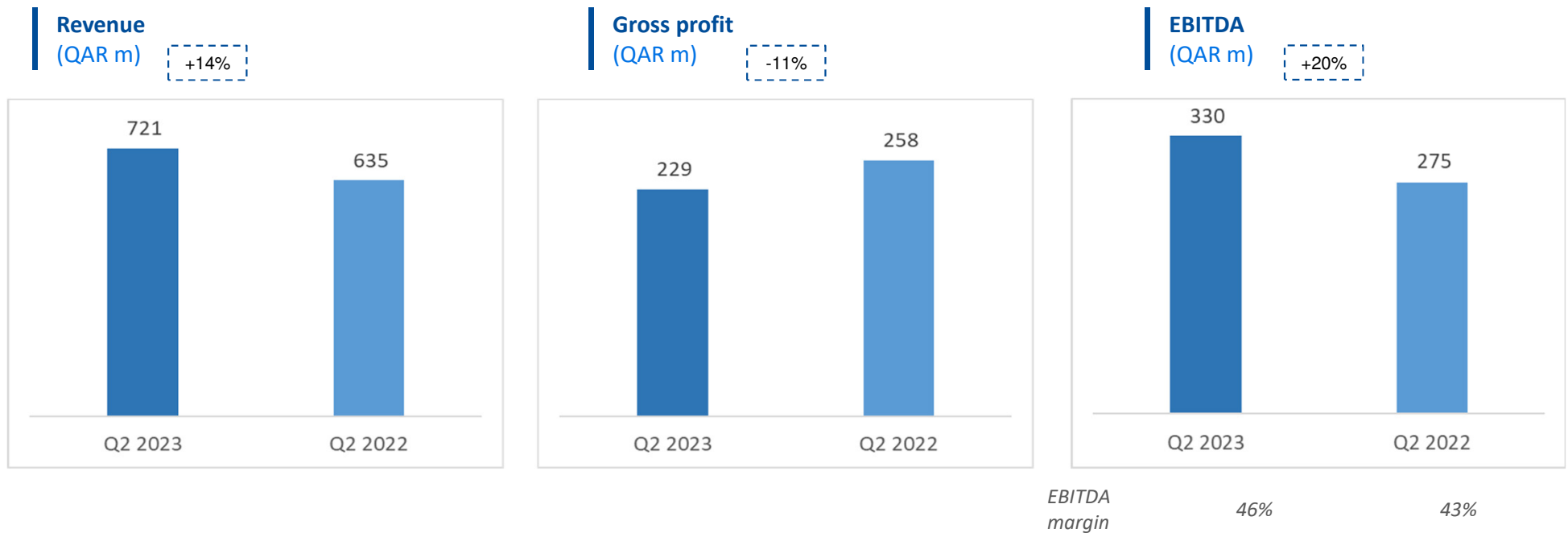
Financial Performance – P&L H1 2023 Comparison with Previous year



- Higher share of from profit from JVs due to full consolidation of Nebras. Also, H1, 2022 share of profit from JVs included provision for impairment at Ukrain.
- Higher Other Income in H1, 2023 is mainly due to profit on sale of Siraj Energy. Also, H1, 2022 included QR 86m loss on sale of land at Lusail.



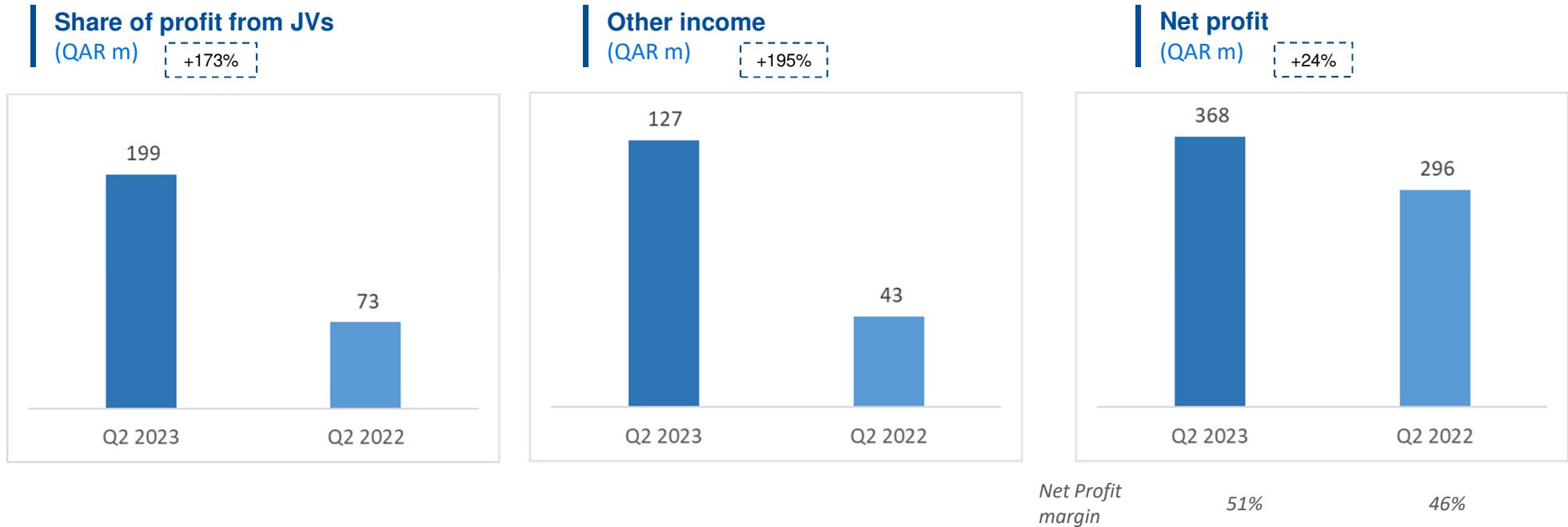
Financial Performance – P&L Q2 2023 Comparison with Previous year



- Higher revenue due to change in revenue recognition at RAF B, impact of higher fuel price in RAF B1 and full consolidation of Nebras.
- Higher EBITDA is due to full consolidation of Nebras and recognition of profit on sale of interest in Siraj Energy



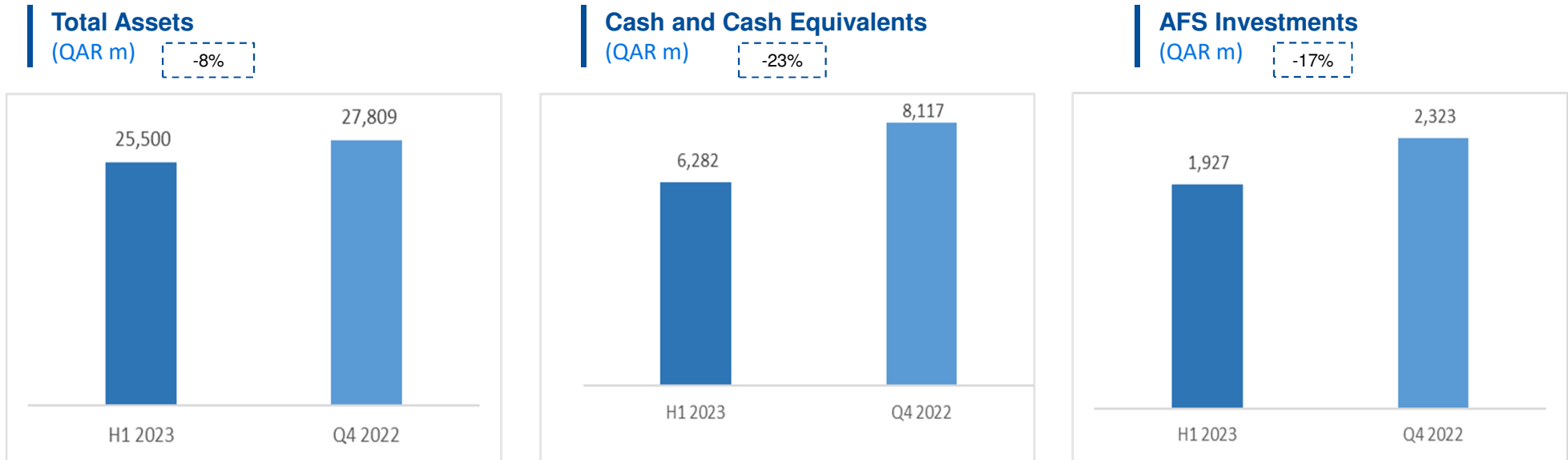
Financial Performance – P&L Q2 2023 Comparison with Previous year



- Higher share of from profit from JVs due to full consolidation of Nebras. Also, Q2, 2022 share of profit from JVs included provision for impairment at Ukrain.
- Higher Other Income in H1, 2023 is mainly due to profit on sale of Siraj Energy. Also, H1, 2022 included QR 86m loss on sale of land at Lusail.



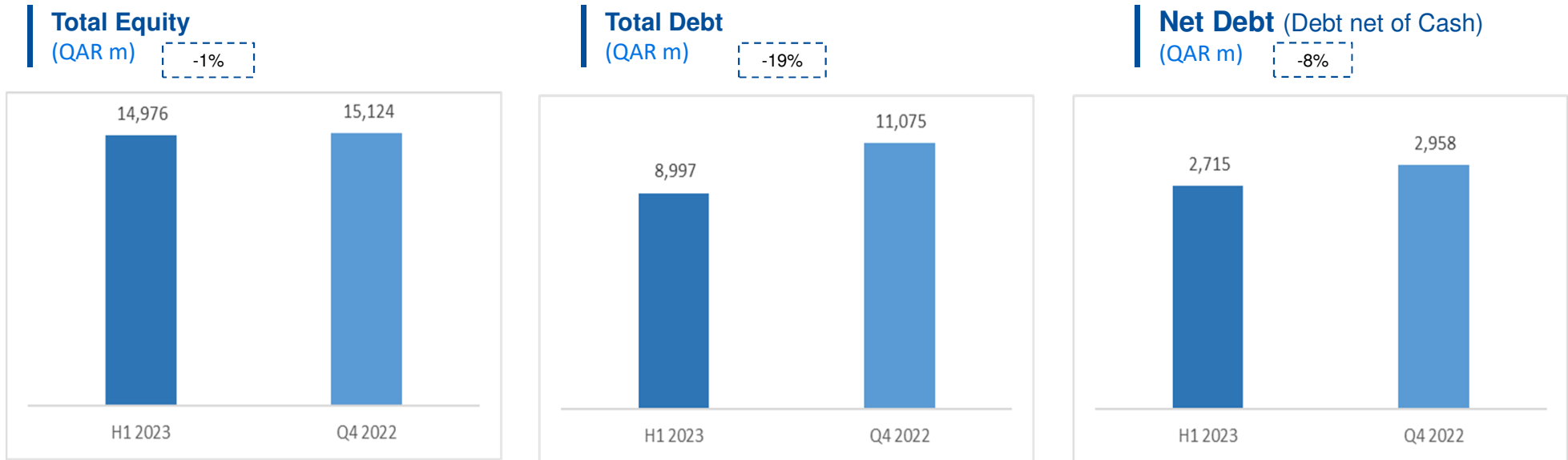
Financial Position – Comparison with Previous year end



- Decrease in Total Assets and Cash and Cash Equivalents are mainly due to repayment of USD 550m Loan
- Decrease in AFS Investments is mainly due to partial sale of investments in Qatar Exchange in Q1, 2023.



Financial Position – Comparison with Previous year end



- Lower Equity is mainly due to drop in Hedge and Fair value reserves and payment of dividend.
- Drop in Total debt is mainly due to repayment on USD 550m loan to Mizuhu.



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Shareholder Information (as at 30 June 2023)

General information

| | |
|---------------------------|---|
| Company name | Qatar Electricity and Water Company Q.P.S.C. |
| Ticker (QE) | QEWS |
| Share price | QAR 17.70 |
| Market Capitalization | QAR 19.47b |
| Common Shares Outstanding | 1.1b |
| Free Float | 60% |

Figures as at 30th June 2023 and in QAR. Unless, otherwise stated.

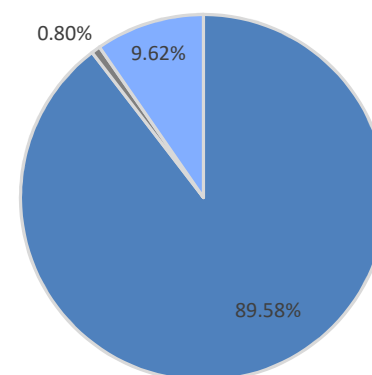
Share price performance versus DSM for 2nd Quarter 2023

| Share price performance (as at) | QEWC % change | DSM % change |
|---------------------------------|---------------|--------------|
| Apr | -0.7% | -0.3% |
| May | 2.1% | -0.3% |
| Jun | 1.8% | -0.8% |

Source: QE Website

Shareholder structure

(ownership percentage – 30th Jun 2023)



■ Qatari ■ GCC ■ Foreigners

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Company Profile

About us

- QEWC is a Qatari public joint stock company established for the purpose of owning and managing power generation and water desalination stations and the sale of their products
- QEWC is one of the first private sector companies in the region engaged in the generation of electricity and desalination of water
- The company is managed by the Board of Directors consisting of eleven members headed by His Excellency Saad Bin Sherida Al-Kaabi, Minister of State for Energy Affairs

Success

One of the largest companies in the field of power generation and water desalination in the MENA region.

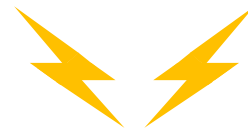
Main supplier of electricity and desalinated water in Qatar.

QEWC is credit rated 'A1' by Moody's, with a stable outlook.

Operational outreach



Capacity



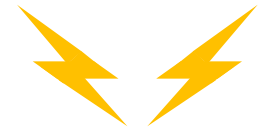
10,590 MW of electricity*



543 MIGD of water*

* including JVs

Nebras (100% owned by QEWC)



1,800+ MW of electricity, outside Qatar